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1996

Institute of Museum and Library Services Act (1996): Correspondence 18

Pamela Walker

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Recommended Citation

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June 4, 1996

Wendy:

Here are my notes based on the Draft Language for the Museums and Libraries portion of THE BILL. The transition language I discussed with Mark Sigurski has to be requested by you, but he has it marked up. I hope that all of this is helpful.

I shall be out of the office all morning, but will be available anytime after 12:30, should you have any questions.

Thanks, and good luck!

Pamela

NOTES ON DISCUSSION DRAFT - MUSEUMS & LIBRARIES

- Sec. 202 (1) Correct line 15/16 to read National Commission on Libraries and Information Science (strike "Museums").
- (2) Add to line 21 after "Director of the Institute" "of Museum and Library Services".
- Sec. 204(3)(d) Use first bracket starting on line 14; not second.
- Sec. 205(b) Strike entire paragraph, lines 10-14. We leave this up to the Director.
- Sec. 211(a)(1) Do we need to cite the specific programs; e.g., Library Services & Construction Act, etc., line 24?
- Sec. 213(3) Remove brackets, lines 4/5; text OK.
- (4) Strike one "the US Virgin Islands" as duplicated.
- (6) Remove brackets lines 6/7, retain "supported".
- Sec. 214(a)(2) Jenny and I had submitted a small technical change to clarify text in our last notes. Please can line 17 read: "shall be limited to the transfer of any funds appropriated under the au-". Thanks.
- (b)(1) Our intent here is to allow forward funding so long as appropriations cover the program and there is not a 9-month gap. Can transition start immediately upon passage of the bill to be completed and effective by June 31, 1997, for instance? Remove brackets lines 2-5 on p.10.
- (b)(2) Lines 11/12, can we say "appropriations are made available under the forward funding procedure described under subparagraph (?)?"
- Can we suggest an (e) dealing with Availability of Appropriations-- "Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any program under this subtitle during any fiscal year which are not obligated and expended by State library administrative agencies or other antedates receiving grants prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure by such agencies and entities during such succeeding fiscal year"?
- Sec. 221(a) Should we refer to forward funding here, if there are funds?
- (b)(3) Move paragraph to national leadership section, removing brackets on lines 24/25.
- (b)(4)(A) Line 6, number in bracket should be \$340,000 as that was the offer.
- (b)(4)(C) (I) Remove all brackets through line 14, sentence ending "2001".
- Sec. 222 The Lab is capped at 5% as per p.13; the entities are capped at 4%, the same for States.
- Sec. 223. Here's where I am still confused. Maintenance of efforts here does not conform

to the rest of the bill. I have a note that we might use the same language as in the Voc. Ed. provisions; and "100% with 5% waiver or equivalent to federal support". My concerns are: 1) is the power of the Director strong enough to allow for compensation to libraries if one terrible unforeseen year occurs?; and 2) the same as Leg. Counsel, p. 15, lines 18-21, although I see the fourth outyear being the bad one. Averaging is a problem. Is there a way to fix it so that States are not penalized for things beyond their control? I think that we have covered the situation where federal funding for libraries is not decreased when library money is disproportionately reduced in the State budget, but if this is not the case, that would be a third concern.

In (c)(3), can we end the waiver paragraph on line 10 after "equitable", or add some exceptions?

- Sec. 224(c) Each State Library administrative agency shall report to the Director on the agency's success in meeting the purposes of this act.
- (d) Use "determines necessary" to "meet the requirements" -- but, either will do.
 - (f) I noticed some technical problems with the transition language and expressed them to Mark Sigurski who has a solution, a second section here that will make funds appropriated under LSCA available to carry over in this subtitle for fiscal 1997. Mark raised the question of whether or not the whole "Interim Application" section should move to the section addressing transition rules, but seemed to favor leaving it where it is.

Also, please note that the dates need to change, so that line 22 on p. 19 reads "October 1, 1997", and line 4 on p. 20 reads "October 1, 1996".

- Sec. 231 The title should include special services if technology is added. Thus: "Grants to States for Information Access Through Technology and Special Services" or "Grants to States for Information Access".
- (a)(1) Include wording in bracket "local service providers", lines 22/23, p.20.
 - (a)(2) If everyone else thinks this is OK, cool; but I feel a bit more of the old language would further clarify.

Sec. 261 Strike (b) to (f); conform to rest of bill.

Sec. 262(c) By moving (b)(3) from p.11, sec.221, you will now have two Special Rules on p.25.

- Sec. 273 Are we going to have any loose-end managerial issues by not defining the powers of the Deputy Directors; e.g., is it OK that the Director makes the decisions about museum grants even though s/he has only library experience? This question is also true of Sec. 303 (b) . Perhaps 303 (d) takes care of it.
- (a)(1) Remove brackets, retain the text in them.
 - (b)(1) The Director and Museum Board determine this -- no problem.
 - (c)(2) A technical change in response to Leg. Counsel's question: Should we have title read "OVER 50% PERCENT" and line 19 (p.29) read "Federal share may be

greater than 50%”? Remove bracket on line 16, retain “section”.

(d) Remove brackets.

Sec. 275 Page 33, the section references are incorrect. They should be 273 (a), not 204, and in the case of line 23, 273(a)(7).

Sec. 302(b)(1)(B) and (c)(1) Change section reference to 262 (a)(4) in both places.

Sec. 303(d), p. 41, lines 6-8. Do we need this language?

Sec. 306(a)(1)(A) Leg. Counsel may have a suggestion to add language allowing for appropriate uses for carried-over LSCA funds. My suggestion, which I ran by Mark, would be, after “repealed”, “Any Library Services and Construction Act or Higher Education Act Title II funds remaining available for obligation after October 1, 1996 shall be expended in accordance with this act and the interim application in Section 224(f)....”

(b) A technical matter: I just noticed another act that references LSCA that needs to be amended. I propose adding a (7) to state as follows: “Section 254(h)(4) of the Telecommunications Act of 1996 is amended effective October 1, 1997 by striking “library not eligible for participation in State-based plans for funds under Title III of the Library Services and Construction Act (20 U.S.C 335c)” and inserting “library or library consortia not eligible for assistance under State library administrative agency applications for the Library Services and Technology Act [____ appropriate U.S.C reference).”

(f) Remove brackets lines 21/22; retain language.

(g) Should read: “The Secretary of Education shall expend or transfer such funds as necessary to ensure the orderly transition of responsibilities from the Office of Educational Research and Improvement in the Department of Education to the Institute of Museum and Library Services pursuant to the Museum and Library Services Act, and in no event shall these funds be less than \$200,000.” Note: this must be new administrative money.

Sec. 307. Strike entire section as per Sen Jeffords.

1 **TITLE III—MUSEUMS AND**
2 **LIBRARIES**

3 **SEC. 301. MUSEUM AND LIBRARY SERVICES.**

4 The Museum Services Act (20 U.S.C. 961 et seq.)
5 is amended to read as follows:

6 **“TITLE II—MUSEUM AND**
7 **LIBRARY SERVICES**
8 **“Subtitle A—General Provisions**

9 **“SEC. 201. SHORT TITLE.**

10 “This title may be cited as the ‘Museum and Library
11 Services Act’.

12 **“SEC. 202. GENERAL DEFINITIONS.**

13 [“As used in this title:

14 “(1) COMMISSION.—The term ‘Commission’
15 means the National Commission on Libraries and
16 ~~the National Commission on Libraries and~~ Information Science established
17 under [section 3 of the National Commission on Li-
18 braries and Information Sciences Act (20 U.S.C.
19 1502)?].

20 “(2) DIRECTOR.—The term ‘Director’ means
21 the Director of the Institute ^{of Museum + Library Services} appointed under section
22 204.

23 “(3) INSTITUTE.—The term ‘Institute’ means
24 the Institute of Museum and Library Services estab-
25 lished under section 203.

correct
→

→

1 “(4) MUSEUM BOARD.—The term ‘Museum
2 Board’ means the National Museum Services Board
3 established under section 275.

4 **“SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.**

5 “(a) ESTABLISHMENT.—There is established, within
6 the National Foundation on the Arts and the Humanities,
7 an Institute of Museum and Library Services.

8 “(b) OFFICES.—The Institute shall consist of an Of-
9 fice of Museum Services and an Office of Library Services.
10 There shall be a National Museum Services Board in the
11 Office of Museum Services.

12 **“SEC. 204. DIRECTOR OF THE INSTITUTE.**

13 “(a) APPOINTMENT.—

14 “(1) IN GENERAL.—The Institute shall be
15 headed by a Director, appointed by the President, by
16 and with the advice and consent of the Senate.

17 “(2) TERM.—The Director shall serve for a
18 term of 4 years.

19 “(3) QUALIFICATIONS.—Beginning with the
20 first individual appointed to the position of Director
21 after the date of enactment of this Act, every second
22 individual so appointed shall be appointed from
23 among individuals who have special competence with
24 regard to library and information services. Begin-
25 ning with the second individual appointed to the po-

*Can they get rid of
the white by abolishing
the Foundation?*

1 sition of Director after the date of enactment of this
2 Act, every second individual so appointed shall be
3 appointed from among individuals who have special
4 competence with regard to museum services.

5 “(b) COMPENSATION.—The Director shall be com-
6 pensated at the rate provided for level III of the Executive
7 Schedule under section 5314 of title 5, United States
8 Code.

9 “(c) DUTIES AND POWERS.—The Director shall per-
10 form such duties and exercise such powers as may be pre-
11 scribed by law, including awarding financial assistance for
12 activities described in this title.

13 “(d) NONDELEGATION.—The Director shall not dele-
14 gate any of the functions of the Director [to any person
15 who is not directly responsible to the Director] [to any
16 person who is not an officer or employee of the Insti-
17 tute?].

18 “(e) COORDINATION.—The Director shall ensure co-
19 ordination of the policies and activities of the Institute
20 with the policies and activities of other agencies and of-
21 fices of the Federal Government having interest in and
22 responsibilities for the improvement of museums and li-
23 braries and information services.

*first
bracket*

?

1 **"SEC. 205. DEPUTY DIRECTORS.**

2 “(a) APPOINTMENT.—The Office of Library Services
3 shall be headed by a Deputy Director, who shall be ap-
4 pointed by the Director from among individuals who have
5 a graduate degree in library science and expertise in li-
6 brary and information services. The Office of Museum
7 Services shall be headed by a Deputy Director, who shall
8 be appointed by the Director from among individuals who
9 have expertise in museum services.

10 “(b) COMPENSATION.—Each such position of Deputy
11 Director shall be a Senior Executive Service position,
12 which shall be paid at a rate of pay for a position at ES-
13 1 of the Senior Executive Service Schedule established
14 under section 5382 of title 5, United States Code.

15 **"SEC. 206. PERSONNEL.**

16 “(a) IN GENERAL.—The Director may, in accordance
17 with applicable provisions of title 5, United States Code,
18 appoint and determine the compensation of such employ-
19 ees as the Director determines to be necessary to carry
20 out the duties of the Institute.

21 “(b) VOLUNTARY SERVICES.—The Director may ac-
22 cept and utilize the voluntary services of individuals and
23 reimburse the individuals for travel expenses, including
24 per diem in lieu of subsistence, in the same amounts and
25 to the same extent as authorized under section 5703 of

*House wishes to
strike (b) →
[We shall leave this up
to Director]*

Strike

1 title 5, United States Code, for persons employed intermit-
2 tently in Federal Government service.

3 **"SEC. 207. CONTRIBUTIONS.**

4 "The Institute shall have authority to solicit, accept,
5 receive, and invest in the name of the United States, gifts,
6 bequests, or devises of money and other property or serv-
7 ices and to use such property or services in furtherance
8 of the functions of the Institute. Any proceeds from such
9 gifts, bequests, or devises, after acceptance by the Insti-
10 tute, shall be paid by the donor or the representative of
11 the donor to the Director. The Director shall enter the
12 proceeds in a special-interest bearing account to the credit
13 of the Institute for the purposes in each case specified.

14 **"Subtitle B—Library Services and**
15 **Technology**

16 **"SEC. 211. SHORT TITLE.**

17 "This subtitle may be cited as the 'Library Services
18 and Technology Act'.

19 **"SEC. 212. STATEMENT OF PURPOSE; RECOGNITION OF**
20 **NEED.**

21 "(a) STATEMENT OF PURPOSE.—The purposes of
22 this subtitle are as follows:

23 "(1) To consolidate Federal library service pro-
24 grams.

*do we need to cite
Library Services & Technology Act +
C. High Ed. Act title II*

1 “(2) To stimulate excellence and promote ac-
2 cess to learning and information resources in all
3 types of libraries for individuals of all ages.

4 “(3) To promote library services that provide
5 all users access to information through State, re-
6 gional, national and international electronic net-
7 works.

8 “(4) To provide linkages among and between li-
9 braries and one-stop career center systems.

10 “(5) To promote targeted library services to
11 people of diverse geographic, cultural, and socio-
12 economic backgrounds, to individuals with disabil-
13 ities, and to people with limited functional literacy
14 or information skills.

15 “(b) RECOGNITION OF NEED.—The Congress recog-
16 nizes that strong library services are essential to empower
17 people to succeed in our Nation’s increasingly global and
18 technological environment.

19 **“SEC. 213. DEFINITIONS.**

20 “As used in this subtitle:

21 “(1) INDIAN TRIBE.—The term ‘Indian tribe’
22 means any tribe, band, nation, or other organized
23 group or community, including any Alaska native
24 village, regional corporation, or village corporation,
25 as defined in or established pursuant to the Alaska

1 Native Claims Settlement Act (43 U.S.C. 1601 et
2 seq.), which is recognized by the Secretary of the In-
3 terior as eligible for the special programs and serv-
4 ices provided by the United States to Indians be-
5 cause of their status as Indians.

6 “(2) LIBRARY.—The term ‘library’ includes—

7 “(A) a public library;

8 “(B) a public elementary school or second-
9 ary school library;

10 “(C) an academic library;

11 “(D) a research library, which for the pur-
12 poses of this subtitle means a library that—

13 “(i) makes publicly available library
14 services and materials suitable for schol-
15 arly research and not otherwise available
16 to the public; and

17 “(ii) is not an integral part of an in-
18 stitution of higher education; and

19 “(E) a private library, but only if the State
20 in which such private library is located deter-
21 mines that the library should be considered a li-
22 brary for purposes of this subtitle.

23 “(3) LIBRARY CONSORTIA.—The term ‘library
24 consortia’ means any local, statewide, regional, inter-
25 state, or international cooperative association of li-

1 brary entities which provides for the systematic and
2 effective coordination of the resources of school, pub-
3 lic, academic, and special libraries and information
4 centers, for improved services for the clientele [of
5 such library entities].

6 “(4) STATE.—The term ‘State’, unless other-
7 wise specified, includes each of the 50 States of the
8 United States, the District of Columbia, the Com-
9 monwealth of Puerto Rico, ~~the United States Virgin~~
10 ~~Islands~~, Guam, American Samoa, the United States
11 Virgin Islands, the Commonwealth of the Northern
12 Mariana Islands, the Republic of the Marshall Is-
13 lands, the Federated States of Micronesia, and the
14 Republic of Palau.

15 “(5) STATE LIBRARY ADMINISTRATIVE AGEN-
16 CY.—The term ‘State library administrative agency’
17 means the official agency of a State charged by the
18 law of the State with the extension and development
19 of public library services throughout the State.

20 “(6) STATE PLAN.—The term ‘State plan’
21 means the document which gives assurances that the
22 officially designated State library administrative
23 agency has the fiscal and legal authority and capa-
24 bility to administer all aspects of this subtitle, pro-
25 vides assurances for establishing the State’s policies,

Remove
brackets.

Strike
(duplicate)

1 priorities, criteria, and procedures necessary to the
 2 implementation of all programs under this subtitle,
 3 submits copies for approval as required by regula-
 4 tions promulgated by the Director, identifies a
 5 State's library needs, and sets forth the activities to
 6 be taken toward meeting the identified needs [sup-
 7 ported?] with the assistance of Federal funds made
 8 available under this subtitle.

9 **"SEC. 214. AUTHORIZATION OF APPROPRIATIONS.**

10 **"(a) AUTHORIZATION OF APPROPRIATIONS.—**

11 **"(1) IN GENERAL.—**There are authorized to be
 12 appropriated to carry out this subtitle \$150,000,000
 13 for fiscal year 1997^{there} and such sums as may be nec-
 14 essary for each of the fiscal years 1998 through
 15 2002.

16 **"(2) TRANSFER.—**The Secretary of Education
 17 shall ^{be limited to the} transfer any funds appropriated under the au-
 18 thority of paragraph (1) to the Director to enable
 19 the Director to carry out this subtitle.

20 **["(b) FORWARD FUNDING OF LIBRARY PRO-**
 21 **GRAMS.—**

22 **"(1) IN GENERAL.—**Notwithstanding any other
 23 provision of law, funds appropriated in any fiscal
 24 year to carry out activities under this subtitle shall
 25 be available for obligation on July 1 of such fiscal

✓ yes

add language

Current language
can move to forward
funding so not
a gap

* 1998
with transfer year
- 200,000,000, 1997
were changed as
a small change
on the language
Correction

Intent to allow
to make
any as double appropriate

1 year and shall remain available for obligation until
 2 the end of the succeeding fiscal year. ~~The~~ The terms of
 3 this subparagraph shall only be effective if specifi-
 4 cally provided for in the subsequent appropriations
 5 to carry out this subtitle. ~~?~~

yes

6 “(2) ADDITIONAL AUTHORIZATION OF APPRO-
 7 PRIATIONS.—In addition to amounts authorized to
 8 be appropriated under [subsection (a)(1)] there are
 9 authorized to be appropriated such additional
 10 amounts as may be necessary for the fiscal year pre-
 11 ceding the first year in which appropriations are
 12 made available under [subsection (a)(1)]. *the funds funding procedure described under* [Do you *subparagraph*
 13 want the boiler plate forward funding language? See
 14 section 420 of GEPA.]

15 “(d) ADMINISTRATION.—Not more than 3 percent of
 16 the funds appropriated under this section for a fiscal year
 17 may be used to pay for the Federal administrative costs
 18 of carrying out this subtitle.

19 “CHAPTER 1—BASIC PROGRAM 20 REQUIREMENTS

21 “SEC. 221. RESERVATIONS AND ALLOTMENTS.

22 “(a) RESERVATIONS.—From the amount appro-
 23 priated under the authority of section 214(a)(1) for any
 24 fiscal year, the Director— [What about funds appro-
 25 priated under 214(b)(2)?]

*Transition need
 to be forced -
 \$200,000 for FY 97
 with Sep. 1996
 an app. 2, 1996*

*fundings
 refer to forward
 funding
 4/20/96*

(e) Availability of Appropriations.--Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs under this subtitle during any fiscal year which are not obligated and expended by State library administrative agencies or other entities receiving grants prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure by such agencies and entities during such succeeding fiscal year.

1 “(1) shall reserve 1½ percent to award grants
2 in accordance with section 261; and

3 “(2) shall reserve 4 percent to award national
4 leadership grants in accordance with section 262.

5 “(b) ALLOTMENTS.—

6 “(1) IN GENERAL.—From the sums appro-
7 priated under the authority of section 214(a)(1) and
8 not reserved under subsection (a) for any fiscal year,
9 the Director shall award grants from minimum allot-
10 ments, as determined under paragraph (4), to each
11 State. Any sums remaining after minimum allot-
12 ments are made for such year shall be allotted in the
13 manner set forth in paragraph (2).

14 “(2) REMAINDER.—From the remainder of any
15 sums appropriated under the authority of section
16 214(a)(1) that are not reserved under subsection (a)
17 and not allotted under paragraph (1) for any fiscal
18 year, the Director shall award grants to each State
19 in an amount that bears the same relation to such
20 remainder as the population of the State bears to
21 the population of all States.

22 【“(3) SPECIAL RULE.—If the funds have not
23 been obligated by the end of the fiscal year, funds
24 are to be reallocated to the States under the [pre-
25 scribed formula] and may be carried over by the

*May 12
Nat'l Leadership
Supp*

1 State for use in the next fiscal year. ~~It~~ only for na-
2 tional leadership ~~program~~ ^{What} ~~What does this mean?~~

3 “(4) MINIMUM ALLOTMENT.—

4 “(A) IN GENERAL.—For the purposes of
5 this subsection, the minimum allotment for each
6 State shall be **[\$200,000]**, except that the min-
7 imum allotment shall be \$40,000 in the case of
8 the United States Virgin Islands, Guam, Amer-
9 ican Samoa, the Commonwealth of the North-
10 ern Mariana Islands, the Republic of the Mar-
11 shall Islands, the Federated States of Microne-
12 sia, and the Republic of Palau.

13 “(B) RATABLE REDUCTIONS.—If the sum
14 appropriated under the authority of section
15 214(a)(1) and not reserved under subsection (a)
16 ~~for any fiscal year is~~ ^{or} insufficient to fully satisfy
17 ~~the aggregate of the minimum~~ allotments for all
18 ~~States for that purpose for such year~~, each of
19 such ~~minimum~~ allotments shall be reduced rat-
20 ably.

21 [“(C) SPECIAL RULE.—

22 “(i) IN GENERAL.—Of the allotments
23 **[reserved]** for the **[Republic of the Mar-**
24 **shall Islands, the Federated States of Mi-**
25 **cronesia, and the Republic of Palau,** ~~the~~

*just but
not remember
the*

offer is

pay all of the

1 Director shall make a grant to the Pacific
2 Region Educational Laboratory in Hono-
3 lulu, Hawaii, to make grants consistent
4 with the provisions of this subtitle for
5 ~~["Guam, American Samoa, the Common-~~
6 ~~wealth of the Northern Mariana Islands,~~
7 ~~the Republic of the Marshall Islands, the~~
8 ~~Federated States of Micronesia, and the~~
9 ~~Republic of Palau.】~~ The eligibility of the
10 Republic of the Marshall Islands, the Fed-
11 erated States of Micronesia, and the Re-
12 public of Palau for assistance under this
13 Act shall terminate as of September 30,
14 2001. ~~【1 year early termination?】~~ ~~【What~~
15 ~~is the policy here?】~~

16 “(ii) LIMITATION.—The Pacific Re-
17 gion Educational Laboratory may use not
18 more than 5 percent of the funds received
19 pursuant to the Special Rule for adminis-
20 trative costs. ~~R~~

21 “(5) DATA.—The population of each State and
22 of all the States shall be determined by the Director
23 on the basis of the most recent data available from
24 the Bureau of the Census.

1 **"SEC. 222. ADMINISTRATION.**

2 "(a) IN GENERAL.—Not more than 4 percent of the
3 total funds received under this subtitle for any fiscal year
4 by a State may be used for administrative costs. ~~What~~
5 about entities receiving funds through Pacific Region Edu-
6 cational Lab?]

7 "(b) CONSTRUCTION.—Nothing in this section shall
8 be construed to limit spending for evaluation costs under
9 section 224(c) from sources other than this subtitle.

10 **["SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.**

12 "(a) PAYMENTS.—The Director shall pay to each
13 State library administrative agency having a State plan
14 approved under section 224 the Federal share of the cost
15 of the activities described in the State plan.

16 **["(b) FEDERAL SHARE.—**

17 "(1) IN GENERAL.—The Federal share shall be
18 66 percent.

19 "(2) NON-FEDERAL SHARE.—The non-Federal
20 share of payments shall be provided from non-Federal,
21 State, or local sources.

22 **"(c) MAINTENANCE OF EFFORT.—**

23 **"(1) REQUIREMENT.—**

24 "(A) IN GENERAL.—The amount otherwise
25 payable to a State for a fiscal year under
26 **[chapter 2] [minimum allotment?] shall be re-**

*if Oregon considered as
same as State
Appended 570*

Not same as not bill

*So long as it
conforms*

Notes -
(b) - voc ed
modifications
100% 55%
w/ minor
requeirment
to
federal funds

State back bank
= 3 yrs.
fd = 1 yr.

need to
fix
4 front
- yr. bad yr.
will

“(2) LEVEL OF STATE EXPENDITURES.—The level of State expenditures for the purposes of paragraph (1) shall include all State dollars expended by the State library administrative agency for library

if I go down
 drop opportunity for library
 what happens if state
 budget cut across boards not
 just libraries shall we be
 saying no
 Is power of director get
 enough to compensate for
 I understand trouble you
 maintain. of defect
 part must be consistent
 throughout bill
 Should not be penalized
 if only I know you + Dan
 come back

1 programs that are consistent with the purposes of
2 this subtitle. All funds included in the maintenance
3 of effort calculation under this subsection shall be
4 expended during the fiscal year for which the deter-
5 mination is made, and shall not include capital ex-
6 penditures, special one-time project costs, or similar
7 windfalls.

8 “(3) WAIVER.—The Director may waive the re-
9 quirements of paragraph (1) if the Director deter-
10 mines that such a waiver would be equitable due to
11 exceptional or uncontrollable circumstances such as
12 a natural disaster or a precipitous and unforeseen
13 decline in the financial resources of the State.”

14 **“SEC. 224. STATE PLANS.**

15 “(a) STATE PLAN REQUIRED.—

16 “(1) IN GENERAL.—In order to be eligible to
17 receive a grant under this subtitle, a State library
18 administrative agency shall submit a State plan to
19 the Director not later than April 1, 1997.

20 “(2) DURATION.—The State plan shall cover a
21 period of 5 fiscal years.

22 “(3) REVISIONS.—If a State library administra-
23 tive agency makes a substantive revision to its State
24 plan, then the State library administrative agency
25 shall submit to the Director an amendment to the

CA Prop 13
AZ

✓

OK
Mr (b)

1 State plan containing such revision not later than
2 April 1 of the fiscal year preceding the fiscal year
3 for which the amendment will be effective.

4 “(b) CONTENTS.—The State plan shall—

5 “(1) establish goals, and specify priorities, for
6 the State consistent with the purposes of this sub-
7 title;

8 “(2) describe activities that are consistent with
9 the goals and priorities established under paragraph
10 (1), the purposes of this subtitle, and the require-
11 ments of section [____], that the State library ad-
12 ministrative agency will carry out during such year
13 using such grant;

14 “(3) describe the procedures that such agency
15 will use to carry out the activities described in para-
16 graph (2);

17 “(4) describe the methodology that such agency
18 will use to evaluate the success of the activities es-
19 tablished under paragraph (2) in achieving the goals
20 and meeting the priorities described in paragraph
21 (1);

22 “(5) describe the procedures that such agency
23 will use to involve libraries and library users
24 throughout the State in policy decisions regarding
25 implementation of this subtitle; and

1 “(6) provide assurances satisfactory to the Di-
2 rector that such agency will make such reports, in
3 such form and containing such information, as the
4 Director may reasonably require to carry out this
5 subtitle and to determine the extent to which funds
6 provided under this subtitle have been effective in
7 carrying out the purposes of this subtitle.

8 “(c) EVALUATION AND REPORT.—Each State [li-
9 brary administrative agency?] receiving a grant under this
10 subtitle shall independently evaluate, and report [to
11 whom? about what?] prior to the end of the 5-year plan,
12 the activities assisted under this subtitle.

13 “(d) INFORMATION.—Each public library receiving
14 assistance under this subtitle shall submit to the State li-
15 brary administrative agency such information as such
16 agency [may require] [determines necessary?] to [meet
17 the requirements of] [carry out the evaluation and report-
18 ing requirements described in?] subsection (c).

19 “(e) APPROVAL.—

20 “(1) IN GENERAL.—The Director shall approve
21 any State plan under this subtitle that meets the re-
22 quirements of this subtitle and provides satisfactory
23 assurances that the provisions of such plan will be
24 carried out.

6497 to the Director
Success in meeting
purpose of this act

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el

1 “(2) PUBLIC AVAILABILITY.—Each State li-
2 brary administrative agency receiving a grant under
3 this subtitle shall make the State plan available to
4 the public.

5 “(3) ADMINISTRATION.—If the Director deter-
6 mines that the State plan does not meet the require-
7 ments of this section, the Director shall—

8 “(A) immediately notify the State library
9 administrative agency of such determination
10 and the reasons for such determination;

11 “(B) offer the State library administrative
12 agency the opportunity to revise its State plan;

13 “(C) provide technical assistance in order
14 to assist the State library administrative agency
15 in meeting the requirements of this section; and

16 “(D) provide the State library administra-
17 tive agency the opportunity for a hearing.

18 [“(f) INTERIM APPLICATION.—Notwithstanding any
19 other provision of law, a State library administrative agen-
20 cy that desires to receive a grant under the Library Serv-
21 ices and Construction Act (20 U.S.C. 351 et seq.) for the
22 fiscal year beginning October 1, 1996⁷ shall submit [To
23 whom?] an [interim] application. Such application shall
24 describe the initiatives to be undertaken by the State li-
25 brary administrative agency in order to assure a smooth

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1 transition to the activities to be carried out under this sub-
 2 title. The interim application shall include any revisions
 3 from the annual application submitted for the fiscal year
 4 beginning October 1, 199⁶~~7~~?] [What is the relationship
 5 among this application, an application under the Library
 6 Services and Construction Act, and the funding for this
 7 Act and the LSCA?] [This rule might be more appro-
 8 priately placed at the end of the bill in a section address-
 9 ing transition rules.]

10 "CHAPTER 2—LIBRARY PROGRAMS

11 "SEC. 231. GRANTS TO STATES [FOR INFORMATION ACCESS
 12 THROUGH TECHNOLOGY. + Special Services]

13 "(a) IN GENERAL.—Of the funds provided to a State
 14 library administrative agency under section 214(a)(1)
 15 [221(b)?], such agency shall expend, either directly or
 16 through subgrants or cooperative agreements, at least 96
 17 percent of such funds for the following purposes:

18 "(1) To establish or enhance electronic linkages
 19 among or between libraries, one-stop career center
 20 systems designated or established under [described
 21 in?] section [121()] of the Workforce and Career
 22 Development Act of 1996, and [local service provid-
 23 ers] receiving grants under paragraphs (1) or (2) of
 24 section [432(a)], or any combination thereof.

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 Sep. 49
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add
 ok

1 “(2) To target library and information services
2 to persons having difficulty using a library and to
3 underserved urban and rural communities, including
4 children (from birth through age 17) from families
5 living below the poverty line (as defined by the Of-
6 fice of Management and Budget and revised annu-
7 ally in accordance with section 673(2) of the Com-
8 munity Services Block Grant Act (42 U.S.C.
9 9902(2)) applicable to a family of the size involved.

*with difficulty -
need more of
ad language*

10 “(b) SPECIAL RULE.—Each State library administra-
11 tive agency receiving funds under this chapter may appor-
12 tion the funds available for the purposes described in sub-
13 section (a) between the two purposes described in para-
14 graphs (1) and (2) of such subsection, as appropriate, to
15 meet the needs of the individual State.

16 **“CHAPTER 3—ADMINISTRATIVE**
17 **PROVISIONS**

18 **“Subchapter A—State Requirements**

19 **“SEC. 251. STATE ADVISORY COUNCILS.**

20 “Each State desiring assistance under this subtitle
21 may establish a State advisory council which is broadly
22 representative of the library entities in the State, including
23 public, school, academic, special, and institutional librar-
24 ies, and libraries serving individuals with disabilities.

1 **“Subchapter B—Federal Requirements**

2 **“SEC. 261. SERVICES FOR INDIAN TRIBES.**

3 **【conform?】**

4 **【“(a) GRANTS AUTHORIZED.—**From amounts re-
5 served under section 221(a)(1) for any fiscal year the Di-
6 rector shall award grants to organizations primarily serv-
7 ing and representing Indian tribes to enable such organi-
8 zations to carry out the authorized activities described in
9 subsection (b).
Strike from b to f
conform

10 **“(b) AUTHORIZED ACTIVITIES.—**Grant funds award-
11 ed under this section may be used for—

12 “(1) inservice or preservice training of Indians
13 as library personnel;

14 “(2) the purchase of library materials;

15 “(3) the conduct of special library programs for
16 Indians;

17 “(4) salaries of library personnel;

18 “(5) transportation to enable Indians to have
19 access to library services;

20 “(6) dissemination of information about library
21 services;

22 “(7) assessment of tribal library needs; and

23 “(8) contracts to provide public library services
24 to Indians living on or near reservations or to ac-

1 accomplish any activity described in paragraphs (1)
2 through (7).

3 “(c) PROHIBITION.—No funds shall be awarded pur-
4 suant to this section unless such funds will be adminis-
5 tered by a librarian.

6 “(d) DUPLICATION.—In awarding grants under this
7 section, the Director shall take such actions as may be
8 necessary to prevent the grant funds provided under this
9 section from being received by any 2 or more entities to
10 serve the same population.

11 “(e) MAINTENANCE OF EFFORT.—Each organization
12 that receives a grant under this section and [supports]
13 a public library system shall continue to expend from Fed-
14 eral sources [(other than funds provided under this Act)],
15 and State and local sources, an amount not less than the
16 amount expended by such organization from such sources
17 for public library services during the second fiscal year
18 preceding the fiscal year for which the determination is
19 made.

20 “(f) CONSTRUCTION.—Nothing in this section shall
21 be construed to prohibit the dissemination of restricted
22 collections of tribal cultural materials with funds made
23 available under this section.]

1 **"SEC. 262. NATIONAL LEADERSHIP GRANTS.**

2 “(a) IN GENERAL.—From the amounts reserved
3 under section 221(a)(2) for any fiscal year the Director
4 shall establish and carry out a program providing national
5 leadership grants or contracts to enhance the quality of
6 library services nationwide and to provide coordination be-
7 tween libraries and museums. Such grants shall be used
8 for activities that may include—

9 “(1) education and training of persons in li-
10 brary and information science, particularly in areas
11 of new technology and other critical needs, including
12 graduate fellowships, traineeships, institutes, or
13 other programs;

14 “(2) research and demonstration projects relat-
15 ed to the improvement of libraries, education in li-
16 brary and information science, enhancement of li-
17 brary services through effective and efficient use of
18 new technologies, and dissemination of information
19 derived from such projects;

20 “(3) preservation or digitization of library ma-
21 terials and resources, giving priority to projects em-
22 phasizing coordination, avoidance of duplication, and
23 access by researchers beyond the institution or li-
24 brary entity undertaking the project; and

25 “(4) model programs demonstrating cooperative
26 efforts between libraries and museums.

1 “(b) GRANTS OR CONTRACTS.—

2 “(1) IN GENERAL.—The Director may carry
3 out the activities described in subsection (a) by
4 awarding grants to, or entering into contracts with,
5 libraries, agencies, institutions of higher education,
6 or museums, where appropriate.

7 “(2) COMPETITIVE BASIS.—Grants and con-
8 tracts under this section shall be awarded on a com-
9 petitive basis.

10 “(c) SPECIAL RULE.—The Director shall make every
11 effort to ensure that activities assisted under this section
12 are administered by appropriate library and museum pro-
13 fessionals or experts.

14 **“SEC. 263. STATE AND LOCAL INITIATIVES.**

15 “Nothing in this subtitle shall be construed to inter-
16 fere with State and local initiatives and responsibility in
17 the conduct of library services. The administration of li-
18 braries, the selection of personnel and library books and
19 materials, and insofar as consistent with the purposes of
20 this subtitle, the determination of the best uses of the
21 funds provided under this subtitle, shall be reserved for
22 the States and their local subdivisions.”.

23 **“Subtitle C—Museum Services**

24 **“SEC. 271. PURPOSE.**

25 “‘It is the purpose of this subtitle—

*See
P. 11 Sec
2 special rules*

1 “(1) to encourage and assist museums in their
2 educational role, in conjunction with formal systems
3 of elementary, secondary, and postsecondary edu-
4 cation and with programs of nonformal education for
5 all age groups;

6 “(2) to assist museums in modernizing their
7 methods and facilities so that the museums are bet-
8 ter able to conserve the cultural, historic, and sci-
9 entific heritage of the United States; and

10 “(3) to ease the financial burden borne by mu-
11 seums as a result of their increasing use by the pub-
12 lic.

13 **“SEC. 272. DEFINITIONS.**

14 “As used in this subtitle:

15 “(1) MUSEUM.—The term ‘museum’ means a
16 public or private nonprofit agency or institution or-
17 ganized on a permanent basis for essentially edu-
18 cational or aesthetic purposes, that utilizes a profes-
19 sional staff, owns or utilizes tangible objects, cares
20 for the tangible objects, and exhibits the tangible ob-
21 jects to the public on a regular basis.

22 “(2) STATE.—The term ‘State’ means each of
23 the 50 States of the United States, the District of
24 Columbia, the Commonwealth of Puerto Rico, the
25 United States Virgin Islands, Guam, American

1 Samoa, the Commonwealth of the Northern Mariana
2 Islands, the Republic of the Marshall Islands, the
3 Federated States of Micronesia, and the Republic of
4 Palau.

5 **"SEC. 273. MUSEUM SERVICES ACTIVITIES.**

6 "(a) GRANTS.—The Director, subject to the policy di-
7 rection of the Museum Board, may make grants to muse-
8 ums to pay for the Federal share of the cost of increasing
9 and improving museum services, through such activities
10 as—

*in consultation
with Dept. Sec.
for Museum*

11 "(1) programs ~~that~~ enable museums to con-
12 struct or install displays, interpretations, and exhibi-
13 tions in order to improve ~~the provision of?~~ mu-
14 seum services to the public;

15 "(2) assisting museums in developing and
16 maintaining professionally trained or otherwise expe-
17 rienced staff to meet the needs of the museums;

18 "(3) assisting museums in meeting the adminis-
19 trative costs of preserving and maintaining the col-
20 lections of the museums, exhibiting the collections to
21 the public, and providing educational programs to
22 the public through the use of the collections;

23 "(4) assisting museums in cooperating with
24 each other in developing traveling exhibitions, meet-

1 ing transportation costs, and identifying and locat-
2 ing collections available for loan;

3 “(5) assisting museums in the conservation of
4 their collections;

5 “(6) developing and carrying out specialized
6 programs for specific segments of the public, such as
7 programs for urban neighborhoods, rural areas, In-
8 dian reservations, and penal and other State institu-
9 tions; and

10 “(7) model programs demonstrating cooperative
11 ✓ efforts between libraries and museums.

12 “(b) CONTRACTS AND COOPERATIVE AGREE-
13 MENTS.—

14 “(1) PROJECTS TO STRENGTHEN MUSEUM
15 SERVICES.—The Director, subject to the policy di-
16 rection of the Museum Board, is authorized to enter
17 into contracts and cooperative agreements with ap-
18 propriate ~~as determined by whom?~~ entities to pay
19 for the Federal share of enabling the entities to un-
20 dertake projects designed to strengthen museum
21 services, except that any contracts or cooperative
22 agreements entered into pursuant to this subsection
23 shall be effective only to such extent or in such
24 amounts as are provided in appropriations Acts.

Who
decides?

1 “(2) LIMITATION ON AMOUNT.—The aggregate
2 amount of financial assistance made available under
3 this subsection for a fiscal year shall not exceed 15
4 percent of the amount appropriated under this sub-
5 title for such fiscal year.

6 “(3) OPERATIONAL EXPENSES.—No financial
7 assistance may be provided under this subsection to
8 pay for operational expenses.

9 “(c) FEDERAL SHARE.—

10 “(1) 50 PERCENT.—Except as provided in para-
11 graph (2), the Federal share described in sub-
12 sections (a) and (b) shall be not more than 50 per-
13 cent.

14 “(2) ^{over 50%}100 PERCENT.—The Director may use not
15 more than 20 percent of the funds made available
16 under this [✓][section?] for a fiscal year to make
17 grants under subsection (a), or enter into contracts
18 or agreements under subsection (b), for which the
19 Federal share may be ^{greater than 50%}100 percent. **[The only**
20 **yes** choices are a 50 percent or 100 percent Federal
21 **for** share?]

22 “(d) REVIEW AND EVALUATION.—The Director shall
23 establish procedures for reviewing and evaluating grants,
24 contracts, and cooperative agreements made or entered
25 into under this [section]. Procedures for reviewing grant

*role of
Director*

1 applications or contracts and cooperative agreements for
2 financial assistance under this [section] shall not be sub-
3 ject to any review outside of the Institute.

4 **"SEC. 274. AWARD.**

5 "The Director, with the advice of the Museum Board,
6 may annually award a National Award for Museum Serv-
7 ice to outstanding museums that have made significant
8 contributions in service to their communities.

9 **"SEC. 275. NATIONAL MUSEUM SERVICES BOARD.**

10 "(a) ESTABLISHMENT.—There is established in the
11 Institute a National Museum Services Board.

12 "(b) COMPOSITION AND QUALIFICATIONS.—

13 "(1) COMPOSITION.—The Museum Board shall
14 consist of the Director and 14 members appointed
15 by the President, by and with the advice and consent
16 of the Senate, and the ex officio, nonvoting member
17 described in paragraph (4).

18 "(2) QUALIFICATIONS.—The appointive mem-
19 bers of the Museum Board shall be selected from
20 among citizens of the United States—

21 "(A) who are members of the general pub-
22 lic;

23 "(B) who are or have been affiliated
24 with—

1 “(i) resources that, collectively, are
2 broadly representative of the curatorial,
3 conservation, educational, and cultural re-
4 sources of the United States; or

5 “(ii) museums that, collectively, are
6 broadly representative of various types of
7 museums, including museums relating to
8 science, history, technology, and art, zoos,
9 and botanical gardens; and

10 “(C) who are recognized for their broad
11 knowledge, expertise, or experience in museums
12 or commitment to museums.

13 “(3) GEOGRAPHIC AND OTHER REPRESENTA-
14 TION.—Members of the Museum Board shall be ap-
15 pointed to reflect persons from various geographic
16 regions of the United States. The Museum Board
17 may not include, at any time, more than 3 members
18 from a single State. In making such appointments,
19 the President shall give due regard to equitable rep-
20 resentation of women, minorities, and persons with
21 disabilities who are involved with museums.

22 “(4) EX OFFICIO MEMBER.—The Deputy Direc-
23 tor of the Office of Museum Services shall serve as
24 an ex officio nonvoting member of the Museum
25 Board.

1 “(c) TERMS.—

2 “(1) IN GENERAL.—Each appointive member of
3 the Museum Board shall serve for a term of 5 years,
4 except that—

5 “(A) of the members first appointed, 3
6 shall serve for terms of 5 years, 3 shall serve
7 for terms of 4 years, 3 shall serve for terms of
8 3 years, 3 shall serve for terms of 2 years, and
9 2 shall serve for terms of 1 year, as designated
10 by the President at the time of nomination for
11 appointment; and

12 “(B) any member appointed to fill a va-
13 cancy shall serve for the remainder of the term
14 for which the predecessor of the member was
15 appointed.

16 “(2) REAPPOINTMENT.—No member of the
17 Museum Board who has been a member for more
18 than 7 consecutive years shall be eligible for re-
19 appointment.

20 “(3) SERVICE UNTIL SUCCESSOR TAKES OF-
21 FICE.—Notwithstanding any other provision of this
22 subsection, a member of the Museum Board shall
23 serve after the expiration of the term of the member
24 until the successor to the member takes office.

1 “(d) DUTIES AND POWERS.—The Museum Board
2 shall have the responsibility to advise the Director on gen-
3 eral policies with respect to the duties and powers vested
4 in the Institute relating to museum services, including
5 general policies with respect to—

6 “(1) financial assistance awarded under this
7 **【title】** for museum services; and

8 “(2) projects described in section **【204(c)(2)】**.

273

9 “(e) CHAIRPERSON.—The President shall designate
10 1 of the appointive members of the Museum Board as
11 Chairperson of the Museum Board.

12 “(f) MEETINGS.—

13 “(1) IN GENERAL.—The Museum Board shall
14 meet—

15 “(A) not less than 3 times each year, in-
16 cluding—

17 “(i) not less than 2 times each year
18 separately; and

19 “(ii) not less than 1 time each year in
20 a joint meeting with the Commission, con-
21 vened for purposes of making general poli-
22 cies with respect to financial assistance for
23 projects described in section **【204(c)(2)】**;
24 and

25 “(B) at the call of the Director.

(a)(7)
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1 “(2) VOTE.—All decisions by the Museum
2 Board with respect to the exercise of the duties and
3 powers of the Museum Board shall be made by a
4 majority vote of the members of the Museum Board
5 who are present. All decisions by the Commission
6 and the Museum Board with respect to the policies
7 described in paragraph (1)(A)(ii) shall be made by
8 a $\frac{2}{3}$ majority vote of the total number of the mem-
9 bers of the Commission and the Museum Board who
10 are present.

11 “(g) QUORUM.—A majority of the members of the
12 Museum Board shall constitute a quorum for the conduct
13 of business at official meetings of the Museum Board, but
14 a lesser number of members may hold hearings. A major-
15 ity of the members of the Commission and a majority of
16 the members of the Museum Board shall constitute a
17 quorum for the conduct of business at official joint meet-
18 ings of the Commission and the Museum Board.

19 “(h) COMPENSATION AND TRAVEL EXPENSES.—

20 “(1) COMPENSATION.—Each member of the
21 Museum Board who is not an officer or employee of
22 the Federal Government shall be compensated at a
23 rate to be fixed by the President, but not to exceed
24 the daily equivalent of the maximum rate authorized
25 for a position above grade GS-15 of the General

1 Schedule under section 5108 of title 5, United
2 States Code, for each day (including travel time)
3 during which such member is engaged in the per-
4 formance of the duties of the Museum Board. All
5 members of the Museum Board who are officers or
6 employees of the Federal Government shall serve
7 without compensation in addition to compensation
8 received for their services as officers or employees of
9 the Federal Government.

10 “(2) TRAVEL EXPENSES.—The members of the
11 Museum Board shall be allowed travel expenses, in-
12 cluding per diem in lieu of subsistence, in the same
13 amounts and to the same extent, as authorized
14 under section 5703 of title 5, United States Code,
15 for persons employed intermittently in Federal Gov-
16 ernment service.

17 “(i) COORDINATION.—The Museum Board, with the
18 advice of the Director, shall take steps to ensure that the
19 policies and activities of the Institute are coordinated with
20 other activities of the Federal Government.

21 **“SEC. 276. AUTHORIZATION OF APPROPRIATIONS.**

22 “(a) GRANTS.—For the purpose of carrying out this
23 subtitle, there are authorized to be appropriated to the Di-
24 rector \$28,700,000 for the fiscal year 1997, and such

See 1277
✓

1 sums as may be necessary for each of the fiscal years 1998
2 through 2002.

3 “(b) ADMINISTRATION.—Not more than 10 percent
4 of the funds appropriated under this section for a fiscal
5 year may be used to pay for the administrative costs of
6 carrying out this subtitle.

7 “(c) SUMS REMAINING AVAILABLE.—Sums appro-
8 priated pursuant to subsection (a) for any fiscal year shall
9 remain available for obligation until expended.”.

✓ 10 **SEC. 302. NATIONAL COMMISSION ON LIBRARIES AND IN-**
11 **FORMATION SCIENCE.**

12 (a) FUNCTIONS.—Section 5 of the National Commis-
13 sion on Libraries and Information Science Act (20 U.S.C.
14 1504) is amended—

15 (1) by redesignating subsections (b) through (d)
16 as subsections (d) through (f), respectively; and

17 (2) by inserting after subsection (a) the follow-
18 ing:

19 “(b) The Commission shall have the responsibility to
20 advise the Director of the Institute of Museum and Li-
21 brary Services on general policies with respect to the du-
22 ties and powers vested in the Institute of Museum and
23 Library Services relating to library services, including—

24 “(1) general policies with respect to—

1 “(A) financial assistance awarded under
2 the Museum and Library Services Act for li-
3 brary services; and

4 “(B) projects described in section
5 262 (a) (4) ~~204(c)(2)~~ of such Act; and

6 “(2) measures to ensure that the policies and
7 activities of the Institute of Museum and Library
8 Services are coordinated with other activities of the
9 Federal Government.

10 “(c)(1) The Commission shall meet not less than 1
11 time each year in a joint meeting with the National Mu-
12 seum Services Board, convened for purposes of providing
13 advice on general policy with respect to financial assist-
14 ance for projects described in section ~~204(c)(2)~~ of such
15 Act.

16 “(2) All decisions by the Commission and the Na-
17 tional Museum Services Board with respect to the advice
18 on general policy described in paragraph (1) shall be made
19 by a $\frac{2}{3}$ majority vote of the total number of the members
20 of the Commission and the National Museum Services
21 Board who are present.

22 “(3) A majority of the members of the Commission
23 and a majority of the members of the National Museum
24 Services Board shall constitute a quorum for the conduct

*change
reference*

1 of business at official joint meetings of the Commission
2 and the National Museum Services Board.”.

3 (b) MEMBERSHIP.—Section 6 of the National Com-
4 mission on Libraries and Information Science Act (20
5 U.S.C. 1505) is amended—

6 (1) in subsection (a)—

7 (A) in the first sentence, by striking “Li-
8 brarian of Congress” and inserting “Librarian
9 of Congress, the Director of the Institute of
10 Museum and Library Services (who shall serve
11 as an ex officio, nonvoting member),”;

12 (B) in the second sentence—

13 (i) by striking “special competence or
14 interest in” and inserting “special com-
15 petence in or knowledge of; and

16 (ii) by inserting before the period the
17 following: “and at least one other of whom
18 shall be knowledgeable with respect to the
19 library and information service and science
20 needs of the elderly”;

21 (C) in the third sentence, by inserting “ap-
22 pointive” before “members”; and

23 (D) in the last sentence, by striking “term
24 and at least” and all that follows and inserting
25 “term.”; and

1 (2) in subsection (b), by striking “the rate spec-
2 ified” and all that follows through “and while” and
3 inserting “the daily equivalent of the maximum rate
4 authorized for a position above grade GS-15 of the
5 General Schedule under section 5108 of title 5,
6 United States Code, for each day (including travel-
7 time) during which the members are engaged in the
8 business of the Commission. While”.

9 **SEC. 303. TRANSFER OF FUNCTIONS FROM INSTITUTE OF**
10 **MUSEUM SERVICES.**

11 (a) **DEFINITIONS.**—For purposes of this section, un-
12 less otherwise provided or indicated by the context—

13 (1) the term “Federal agency” has the meaning
14 given to the term “agency” by section 551(1) of title
15 5, United States Code;

16 (2) the term “function” means any duty, obli-
17 gation, power, authority, responsibility, right, privi-
18 lege, activity, or program; and

19 (3) the term “office” includes any office, ad-
20 ministration, agency, institute, unit, organizational
21 entity, or component thereof.

22 (b) **TRANSFER OF FUNCTIONS FROM THE INSTITUTE**
23 **OF MUSEUM SERVICES AND THE LIBRARY PROGRAM OF-**
24 **FICE.**—There are transferred to the Director of the Insti-

1 tute of Museum and Library Services established under
2 section 203 of the Museum and Library Services Act—

3 (1) all functions that the Director of the Insti-
4 tute of Museum Services exercised before the date of
5 enactment of this section (including all related func-
6 tions of any officer or employee of the Institute of
7 Museum Services); and

8 (2) all functions that the Director of Library
9 Programs in the Office of Educational Research and
10 Improvement in the Department of Education exer-
11 cised before the date of enactment of this section
12 and any related function of any officer or employee
13 of the Department of Education.

14 (c) DETERMINATIONS OF CERTAIN FUNCTIONS BY
15 THE OFFICE OF MANAGEMENT AND BUDGET.—If nec-
16 essary, the Office of Management and Budget shall make
17 any determination of the functions that are transferred
18 under subsection (b).

19 (d) DELEGATION AND ASSIGNMENT.—Except where
20 otherwise expressly prohibited by law or otherwise pro-
21 vided by this section, the Director of the Institute of Mu-
22 seum and Library Services may delegate any of the func-
23 tions transferred to the Director of the Institute of Mu-
24 seum and Library Services by this section and any func-
25 tion transferred or granted to such Director of the Insti-

*What is role
of Dept. is
does (d) take
any of this?*

1 tute of Museum and Library Services after the effective
2 date of this section to such officers and employees of the
3 Institute of Museum and Library Services as the Director
4 of the Institute of Museum and Library Services may des-
5 ignate, and may authorize successive redelegations of such
6 functions as may be necessary or appropriate [except that
7 delegation of [program authority?] shall be made in ac-
8 cordance with the purposes of section [205]] No delega-
9 tion of functions by the Director of the Institute of Mu-
10 seum and Library Services under this section or under any
11 other provision of this section shall relieve such Director
12 of the Institute of Museum and Library Services of re-
13 sponsibility for the administration of such functions.

14 (e) REORGANIZATION.—The Director of the Institute
15 of Museum and Library Services may allocate or reallocate
16 any function transferred under subsection (b) among the
17 officers of the Institute of Museum and Library Services,
18 and may establish, consolidate, alter, or discontinue such
19 organizational entities in the Institute of Museum and Li-
20 brary Services as may be necessary or appropriate.

21 (f) RULES.—The Director of the Institute of Museum
22 and Library Services may prescribe, in accordance with
23 chapters 5 and 6 of title 5, United States Code, such rules
24 and regulations as the Director of the Institute of Museum
25 and Library Services determines to be necessary or appro-

do we
need this?

}

1 priate to administer and manage the functions of the In-
2 stitute of Museum and Library Services.

3 (g) TRANSFER AND ALLOCATIONS OF APPROPRIA-
4 TIONS AND PERSONNEL.—Except as otherwise provided
5 in this section, the personnel employed in connection with,
6 and the assets, liabilities, contracts, property, records, and
7 unexpended balances of appropriations, authorizations, al-
8 locations, and other funds employed, used, held, arising
9 from, available to, or to be made available in connection
10 with the functions transferred by this section, subject to
11 section 1531 of title 31, United States Code, shall be
12 transferred to the Institute of Museum and Library Serv-
13 ices. Unexpended funds transferred pursuant to this sub-
14 section shall be used only for the purposes for which the
15 funds were originally authorized and appropriated.

16 (h) INCIDENTAL TRANSFERS.—The Director of the
17 Office of Management and Budget, at such time or times
18 as the Director shall provide, may make such determina-
19 tions as may be necessary with regard to the functions
20 transferred by this section, and make such additional inci-
21 dental dispositions of personnel, assets, liabilities, grants,
22 contracts, property, records, and unexpended balances of
23 appropriations, authorizations, allocations, and other
24 funds held, used, arising from, available to, or to be made
25 available in connection with such functions, as may be nec-

1 essary to carry out this section. The Director of the Office
2 of Management and Budget shall provide for the termi-
3 nation of the affairs of all entities terminated by this sec-
4 tion and for such further measures and dispositions as
5 may be necessary to effectuate the purposes of this sec-
6 tion.

7 (i) EFFECT ON PERSONNEL.—

8 (1) IN GENERAL.—Except as otherwise pro-
9 vided by this section, the transfer pursuant to this
10 section of full-time personnel (except special Govern-
11 ment employees) and part-time personnel holding
12 permanent positions shall not cause any such em-
13 ployee to be separated or reduced in grade or com-
14 pensation for 1 year after the date of transfer of
15 such employee under this section.

16 (2) EXECUTIVE SCHEDULE POSITIONS.—Except
17 as otherwise provided in this section, any person
18 who, on the day preceding the effective date of this
19 section, held a position compensated in accordance
20 with the Executive Schedule prescribed in chapter
21 53 of title 5, United States Code, and who, without
22 a break in service, is appointed in the Institute of
23 Museum and Library Services to a position having
24 duties comparable to the duties performed imme-
25 diately preceding such appointment shall continue to

1 be compensated in such new position at not less
2 than the rate provided for such previous position, for
3 the duration of the service of such person in such
4 new position.

5 (j) SAVINGS PROVISIONS.—

6 (1) CONTINUING EFFECT OF LEGAL DOCU-
7 MENTS.—All orders, determinations, rules, regula-
8 tions, permits, agreements, grants, contracts, certifi-
9 cates, licenses, registrations, privileges, and other
10 administrative actions—

11 (A) that have been issued, made, granted,
12 or allowed to become effective by the President,
13 any Federal agency or official of a Federal
14 agency, or by a court of competent jurisdiction,
15 in the performance of functions that are trans-
16 ferred under this section; and

17 (B) that were in effect before the effective
18 date of this section, or were final before the ef-
19 fective date of this section and are to become
20 effective on or after the effective date of this
21 section;

22 shall continue in effect according to their terms until
23 modified, terminated, superseded, set aside, or re-
24 voked in accordance with law by the President, the
25 Director of the Institute of Museum and Library

1 Services or other authorized official, a court of com-
2 petent jurisdiction, or by operation of law.

3 (2) PROCEEDINGS NOT AFFECTED.—This sec-
4 tion shall not affect any proceedings, including no-
5 tices of proposed rulemaking, or any application for
6 any license, permit, certificate, or financial assist-
7 ance pending before the Institute of Museum Serv-
8 ices on the effective date of this section, with respect
9 to functions transferred by this section. Such pro-
10 ceedings and applications shall be continued. Orders
11 shall be issued in such proceedings, appeals shall be
12 taken from the orders, and payments shall be made
13 pursuant to the orders, as if this section had not
14 been enacted, and orders issued in any such proceed-
15 ings shall continue in effect until modified, termi-
16 nated, superseded, or revoked by a duly authorized
17 official, by a court of competent jurisdiction, or by
18 operation of law. Nothing in this paragraph shall be
19 construed to prohibit the discontinuance or modifica-
20 tion of any such proceeding under the same terms
21 and conditions and to the same extent that such pro-
22 ceeding could have been discontinued or modified if
23 this section had not been enacted.

24 (3) SUITS NOT AFFECTED.—This section shall
25 not affect suits commenced before the effective date

1 of this section, and in all such suits, proceedings
2 shall be had, appeals taken, and judgments rendered
3 in the same manner and with the same effect as if
4 this section had not been enacted.

5 (4) NONABATEMENT OF ACTIONS.—No suit, ac-
6 tion, or other proceeding commenced by or against
7 the Institute of Museum Services, or by or against
8 any individual in the official capacity of such individ-
9 ual as an officer of the Institute of Museum Serv-
10 ices, shall abate by reason of the enactment of this
11 section.

12 (5) ADMINISTRATIVE ACTIONS RELATING TO
13 PROMULGATION OF REGULATIONS.—Any administra-
14 tive action relating to the preparation or promulga-
15 tion of a regulation by the Institute of Museum
16 Services relating to a function transferred under this
17 section may be continued by the Institute of Mu-
18 seum and Library Services with the same effect as
19 if this section had not been enacted.

20 (k) TRANSITION.—The Director of the Institute of
21 Museum and Library Services may utilize—

22 (1) the services of such officers, employees, and
23 other personnel of the Institute of Museum Services
24 with respect to functions transferred to the Institute
25 of Museum and Library Services by this section; and

1 (2) funds appropriated to such functions for
2 such period of time as may reasonably be needed to
3 facilitate the orderly implementation of this section.

4 (1) REFERENCES.—A reference in any other Federal
5 law, Executive order, rule, regulation, or delegation of au-
6 thority, or any document of or relating to—

7 (1) the Director of the Institute of Museum
8 Services with regard to functions transferred under
9 subsection (b), shall be deemed to refer to the Direc-
10 tor of the Institute of Museum and Library Services;
11 and

12 (2) the Institute of Museum Services with re-
13 gard to functions transferred under subsection (b),
14 shall be deemed to refer to the Institute of Museum
15 and Library Services.

16 (m) ADDITIONAL CONFORMING AMENDMENTS.—

17 (1) RECOMMENDED LEGISLATION.—After con-
18 sultation with the appropriate committees of Con-
19 gress and the Director of the Office of Management
20 and Budget, the Director of the Institute of Museum
21 and Library Services shall prepare and submit to the
22 appropriate committees of Congress recommended
23 legislation containing technical and conforming
24 amendments to reflect the changes made by this sec-
25 tion.

1 (2) SUBMISSION TO CONGRESS.—Not later than
2 6 months after the effective date of this section, the
3 Director of the Institute of Museum and Library
4 Services shall submit to the appropriate committees
5 of Congress the recommended legislation referred to
6 under paragraph (1).

7 **SEC. 304. SERVICE OF INDIVIDUALS SERVING ON DATE OF**
8 **ENACTMENT.**

9 Notwithstanding section 204 of the Museum and Li-
10 brary Services Act, the individual who was appointed to
11 the position of Director of the Institute of Museum Serv-
12 ices under section 205 of the Museum Services Act (as
13 such section was in effect on the day before the date of
14 enactment of this Act) and who is serving in such position
15 on the day before the date of enactment of this Act shall
16 serve as the first Director of the Institute of Museum and
17 Library Services under section 204 of the Museum and
18 Library Services Act (as added by section 301 of this
19 title), and shall serve at the pleasure of the President.

20 **SEC. 305. CONSIDERATION.**

21 Consistent with title 5, United States Code, in ap-
22 pointing employees of the Office of Library Services, the
23 Director of the Institute of Museum and Library Services
24 shall give strong consideration to individuals with experi-

1 ence in administering State-based and national library and
2 information services programs.

3 **SEC. [306.] REPEALS AND TECHNICAL AND CONFORMING**
4 **AMENDMENTS.**

5 (a) REPEALS.—

6 (1) LIBRARY SERVICES AND CONSTRUCTION
7 ACT.— *(un under)*

8 (A) IN GENERAL.—The Library Services
9 and Construction Act (20 U.S.C. 351 et seq.)
10 is repealed. *Send in inter-*
application

11 (B) CONFORMING AMENDMENT.—The

12 Technology for Education Act of 1994 (20
13 U.S.C. 6801 et seq.) is amended in section
14 3113(10) by striking “section 3 of the Library
15 Services and Construction Act;” and inserting
16 “section 5 of the Workforce and Career Devel-
17 opment Act of 1996;”.

18 (2) HIGHER EDUCATION ACT OF 1965.—Title II
19 of the Higher Education Act of 1965 (20 U.S.C. ~~1021~~
20 1021 et seq.) is repealed.

21 (b) REFERENCES TO LIBRARY SERVICES AND CON-
22 STRUCTION ACT.—

23 (1) OMNIBUS EDUCATION RECONCILIATION ACT
24 OF 1981.—Section 528 of the Omnibus Education

The Library Services and Construction Act (20 U.S.C. 351 et seq.) is repealed as of October 1, 1997. The Higher Education Act Title II (20 U.S.C. 1021-1047) is repealed as of October 1, 1997. Any Library Services and Construction Act or Higher Education Act Title II funds remaining available for obligation after that date shall be expended in accordance with this subtitle consistent with section 412(b) of the General Education Provisions Act (20 U.S.C. 1221 et seq.).

Add - Any appropriated funds still available remain so for obligation & expenditure & break down with this Act & Department

need to dec. 1, allow for approp. have of LSEA funds carried over with LSEA effect

1 Reconciliation Act of 1981 (20 U.S.C. 3489) is
2 amended—

3 (A) by striking paragraph (12); and

4 (B) by redesignating paragraphs (13)
5 through (15) as paragraphs (12) through (14),
6 respectively.

7 (2) ELEMENTARY AND SECONDARY EDUCATION
8 ACT OF 1965.—Section 3113(10) of the Elementary
9 and Secondary Education Act of 1965 (20 U.S.C.
10 6813(10)) is amended by striking “section 3 of the
11 Library Services and Construction Act” and insert-
12 ing “section [213(7)] of the Library Services and
13 Technology Act”.

14 (3) COMMUNITY IMPROVEMENT VOLUNTEER
15 ACT OF 1994.—Section 7305 of the Community Im-
16 provement Volunteer Act of 1994 (40 U.S.C. 276d-
17 3) is amended—

18 (A) by striking paragraph (1); and

19 (B) by redesignating paragraphs (2)
20 through (6) as paragraphs (1) through (5), re-
21 spectively.

22 (4) APPALACHIAN REGIONAL DEVELOPMENT
23 ACT OF 1965.—Section 214(c) of the Appalachian
24 Regional Development Act of 1965 (40 U.S.C. App.

1 214(c)) is amended by striking "Library Services
2 and Construction Act;".

3 (5) DEMONSTRATION CITIES AND METROPOLI-
4 TAN DEVELOPMENT ACT OF 1966.—Section 208(2) of
5 the Demonstration Cities and Metropolitan Develop-
6 ment Act of 1966 (42 U.S.C. 3338(2)) is amended
7 by striking "title II of the Library Services and Con-
8 struction Act;".

9 (6) PUBLIC LAW 87-688.—Subsection (c) of the
10 first section of the Act entitled "An Act to extend
11 the application of certain laws to American Samoa",
12 approved September 25, 1962 (48 U.S.C. 1666(c))
13 is amended by striking "the Library Services Act
14 (70 Stat. 293; 20 U.S.C. 351 et seq.),".

15 (c) REFERENCES TO INSTITUTE OF MUSEUM SERV-
16 ICES.—

17 (1) TITLE 5, UNITED STATES CODE.—Section
18 5315 of title 5, United States Code, is amended by
19 striking the following:

20 "Director of the Institute of Museum Services."
21 and inserting the following:

22 "Director of the Institute of Museum and Li-
23 brary Services."

24 (2) DEPARTMENT OF EDUCATION ORGANIZA-
25 TION ACT.—Section 301 of the Department of Edu-

1 cation Organization Act (20 U.S.C. 3441) is amend-
2 ed—

3 (A) in subsection (a)—

4 (i) by striking paragraph (5); and

5 (ii) by redesignating paragraphs (6)
6 and (7) as paragraphs (5) and (6), respec-
7 tively; and

8 (B) in subsection (b)—

9 (i) by striking paragraph (4); and

10 (ii) by redesignating paragraphs (5)
11 through (7) as paragraphs (4) through (6),
12 respectively.

13 (3) ELEMENTARY AND SECONDARY EDUCATION
14 ACT OF 1965.—

15 (A) Sections 2101(b), 2205(c)(1)(D),
16 2208(d)(1)(H)(v), and 2209(b)(1)(C)(vi), and
17 subsections (d)(6) and (e)(2) of section 10401
18 of the Elementary and Secondary Education
19 Act of 1965 (20 U.S.C. 6621(b),
20 6645(c)(1)(D), 6648(d)(1)(H)(v),
21 6649(b)(1)(C)(vi), and 8091 (d)(6) and (e)(2))
22 are amended by striking “the Institute of Mu-
23 seum Services” and inserting “the Institute of
24 Museum and Library Services”.

1 (B) Section 10412(b) of such Act (20
2 U.S.C. 8102(b)) is amended—

3 (i) in paragraph (2), by striking “the
4 Director of the Institute of Museum Serv-
5 ices,” and inserting “the Director of the
6 Institute of Museum and Library Serv-
7 ices,”; and

8 (ii) in paragraph (7), by striking “the
9 Director of the Institute of Museum Serv-
10 ices,” and inserting “the Director of the
11 Institute of Museum and Library Serv-
12 ices,”.

13 (C) Section 10414(a)(2)(B) of such Act
14 (20 U.S.C. 8104(a)(2)(B)) is amended by strik-
15 ing clause (iii) and inserting the following new
16 clause:

17 “(iii) the Institute of Museum and Li-
18 brary Services.”.

19 (d) REFERENCES TO HIGHER EDUCATION ACT OF
20 1965.—

21 (1) HIGHER EDUCATION ACT OF 1965.—Para-
22 graph (2) of section 356(b) of the Higher Education
23 Act of 1965 (20 U.S.C. 1069b(b)) is amended by
24 striking “II,”.

1 (2) HIGHER EDUCATION AMENDMENTS OF
2 1986.—Part D of title XIII of the Higher Education
3 Amendments of 1986 (20 U.S.C. 1029 note) is re-
4 pealed.

5 (e) REFERENCES TO OFFICE OF LIBRARIES AND
6 LEARNING RESOURCES.—

7 (1) EDUCATION AMENDMENTS OF 1974.—Sec-
8 tion 519 of the Education Amendments of 1974 (20
9 U.S.C. 1221i) is repealed.

10 (2) DEPARTMENT OF EDUCATION ORGANIZA-
11 TION ACT.—Section 413(b)(1) of the Department of
12 Education Organization Act (20 U.S.C. 3473(b)(1))
13 is amended—

14 (A) by striking subparagraph (H); and

15 (B) by redesignating subparagraphs (I)
16 through (M) as subparagraphs (H) through
17 (L), respectively.

18 (f) TRANSITION.—The Director of the Office of Man-
19 agement and Budget shall take appropriate measures to
20 ensure an orderly transition from the activities previously
21 administered by the [✓]Director of Library Programs in the
22 Office of Educational Research and Improvement in the
23 Department of Education to the activities administered by
24 the Institute for Museum and Library Services under this

1 title. Such measures may include the transfer of appro-
2 priated funds.

3 [(g) CERTAIN AUTHORIZATION OF APPROPRIA-
4 TIONS.—The Secretary [of Ed.] shall expend or transfer
5 such funds [as appropriated pursuant to this authoriza-
6 tion] that are necessary to ensure the orderly transition
7 of responsibilities from [] to the Institute of Museum
8 and Library Services pursuant to the Museum and Li-
9 brary Services Act, ~~and~~ and in no event be less than
10 \$200,000. ~~in~~

Must be new
~~§~~

*Dir. of Library Res.
Office of Ed. Research
& Improvement
in R DOE
Admin*

11 **SEC. 307. ARTS AND ARTIFACTS.**

12 [NOTE: Hold]

13 The Arts and Artifacts Indemnity Act (20 U.S.C. 971
14 et seq.) is amended to read as follows:

15 **"SECTION 1. SHORT TITLE.**

16 "This Act may be cited as the 'Arts and Artifacts
17 Indemnity Act'.

18 **"SEC. 2. INDEMNITY FOR EXHIBITIONS OF ARTS AND ARTI-
19 FACTS.**

20 "The Director of the Institute of Museums and Li-
21 brary Services (hereafter in this Act referred to as the
22 "Director") may enter into agreements to indemnify
23 against loss or damage such items as may be eligible for
24 such indemnity agreements under section 3—

omit

No

1 “(1) in accordance with the provisions of this
2 Act; and

3 “(2) on such terms and conditions as the Direc-
4 tor shall prescribe, by regulation, in order to achieve
5 the objectives of this Act and, consistent with such
6 objectives, to protect the financial interest of the
7 United States.

8 **“SEC. 3. ELIGIBLE ITEMS.**

9 “(a) TYPES OF ITEMS.—The Director may enter into
10 an indemnity agreement under section 2 with respect to
11 items—

12 “(1) that are—

13 “(A) works of art, including tapestries,
14 paintings, sculpture, folk art, and graphics and
15 craft arts;

16 “(B) manuscripts, rare documents, books,
17 or other printed or published materials;

18 “(C) other artifacts or objects; or

19 “(D) photographs, motion pictures, or
20 audio and video tape;

21 “(2) that are of educational, cultural, historical,
22 or scientific value; and

23 “(3) the exhibition of which is certified (where
24 appropriate) by the Secretary of State or the des-

1 ignee of the Secretary of State as being in the na-
2 tional interest.

3 “(b) ITEMS ON EXHIBITION.—

4 “(1) SCOPE.—An indemnity agreement made
5 under this Act shall cover eligible items while on ex-
6 hibition, generally when the items are part of an ex-
7 change of exhibitions. An item described in sub-
8 section (a) that is part of an exhibition that origi-
9 nates either in the United States or outside the
10 United States and that is touring the United States
11 shall be considered to be an eligible item.

12 “(2) DEFINITION.—For purposes of this sub-
13 section, the term ‘on exhibition’ includes the period
14 of time beginning on the date the eligible items leave
15 the premises of the lender or place designated by the
16 lender and ending on the date such items are re-
17 turned to the premises of the lender or place des-
18 ignated by the lender.

19 **“SEC. 4. APPLICATIONS.**

20 “(a) IN GENERAL.—Any person, nonprofit agency,
21 institution, or government desiring to enter into an indem-
22 nity agreement for eligible items under this Act shall sub-
23 mit an application to the Director at such time, in such
24 manner and in accordance with such procedures, as the
25 Director shall, by regulation, prescribe.

1 “(b) CONTENTS.—An application submitted under
2 subsection (a) shall—

3 “(1) describe each item to be covered by the
4 agreement (including an estimated value of such
5 item);

6 “(2) show evidence that the item is an item de-
7 scribed in section 3(a); and

8 “(3) set forth policies, procedures, techniques,
9 and methods with respect to preparation for, and
10 conduct of, exhibition of the item, and any transpor-
11 tation related to such item.

12 “(c) APPROVAL.—On receipt of an application under
13 this section, the Director shall review the application as
14 described in section 5 and, if the Director agrees with the
15 estimated value described in the application and if such
16 application conforms with the requirements of this Act,
17 approve the application and enter into an indemnity agree-
18 ment with the applicant under section 2. On such ap-
19 proval, the agreement shall constitute a contract between
20 the Director and the applicant pledging the full faith and
21 credit of the United States to pay any amount for which
22 the Director becomes liable under such agreement. The
23 Director, for such purpose, is authorized to pledge the full
24 faith and credit of the United States.

1 **"SEC. 5. INDEMNITY AGREEMENT.**

2 “(a) REVIEW.—On receipt of an application meeting
3 the requirements of subsections (a) and (b) of section 4,
4 the Director shall review the estimated value of the items
5 for which coverage by an indemnity agreement is sought.

6 “(b) AGGREGATE AMOUNT OF LOSS OR DAMAGE.—
7 The aggregate amount of loss or damage covered by in-
8 demnity agreements made under this Act shall not exceed
9 \$3,000,000,000, at any one time.

10 “(c) INDIVIDUAL AMOUNT OF LOSS OR DAMAGE.—
11 No indemnity agreement for a single exhibition shall cover
12 loss or damage in excess of \$300,000,000.

13 “(d) EXTENT OF COVERAGE.—If the estimated value
14 of the items covered by an indemnity agreement for a sin-
15 gle exhibition is—

16 “(1) \$2,000,000 or less, then coverage under
17 this Act shall extend only to loss or damage in ex-
18 cess of the first \$15,000 of loss or damage to the
19 items covered;

20 “(2) more than \$2,000,000 but less than
21 \$10,000,000, then coverage under this Act shall ex-
22 tend only to loss or damage in excess of the first
23 \$25,000 of loss or damage to the items covered;

24 “(3) not less than \$10,000,000 but less than
25 \$125,000,000, then coverage under this Act shall ex-

1 tend only to loss or damage in excess of the first
2 \$50,000 of loss or damage to the items covered;

3 “(4) not less than \$125,000,000 but less than
4 \$200,000,000, then coverage under this Act shall ex-
5 tend only to loss or damage in excess of the first
6 \$100,000 of loss or damage to the items covered; or

7 “(5) \$200,000,000 or more, then coverage
8 under this Act shall extend only to loss or damage
9 in excess of the first \$200,000 of loss or damage to
10 the items covered.

11 **“SEC. 6. REGULATIONS AND CERTIFICATION.**

12 “(a) REGULATIONS.—The Director shall prescribe
13 regulations providing for prompt adjustment of valid
14 claims for loss or damage to items that are covered by
15 an agreement entered into pursuant to section 2, including
16 provision for arbitration of issues relating to the dollar
17 value of damages involving less than total loss or destruc-
18 tion of such covered items.

19 “(b) CERTIFICATION.—In the case of a claim of loss
20 or damage with respect to an item that is covered by an
21 agreement entered into pursuant to section 2, the Director
22 shall certify the validity of the claim and the amount of
23 the loss to the Speaker of the House of Representatives
24 and the President pro tempore of the Senate.

1 **“SEC. 7. REPORT.**

2 “The Director shall prepare, and submit at the end
3 of each fiscal year to the appropriate committees of Con-
4 gress, a report containing information on—

5 “(1) all claims paid pursuant to this Act during
6 such year;

7 “(2) pending claims against the Director under
8 this Act as of the end of such year; and

9 “(3) the aggregate face value of contracts en-
10 tered into by the Director that are outstanding at
11 the end of such year.

12 **“SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

13 “There are authorized to be appropriated such sums
14 as may be necessary—

15 “(1) to enable the Director to carry out the
16 functions of the Director under this Act; and

17 “(2) to pay claims certified pursuant to section
18 6(b).”.